

Message Text

SECRET

PAGE 01 JAKART 01851 01 OF 02 091305Z
ACTION EA-06

INFO OCT-01 ISO-00 ONY-00 /007 W
-----091313Z 109248 /53

R 090911Z FEB 77
FM AMEMBASSY JAKARTA
TO SECSTATE WASHDC 9194
INFO AMEMBASSY BANGKOK
AMEMBASSY KUALA LUMPUR
AMEMBASSY MANILA
AMEMBASSY RANGOON
AMEMBASSY SINGAPORE
AMEMBASSY TOKYO
AMEMBASSY VIENTIANE
USLO PEKING
AMCONSUL HONG KONG

S E C R E T SECTION 1 OF 2 JAKARTA 1851

STADIS////////////////////////////////

LIMDIS - EA ONLY

E.O. 11652: GDS
TAGS: PFOR, US, XB
SUBJECT: U.S. POLICY ON SOUTHEAST ASIA IN POST-VIETNAM PERIOD

1. AS SEEN FROM HERE, OUR FUNDAMENTAL POLICY CHOICES TOWARD
INDONESIA AND SOUTHEAST ASIA RELATE TO: (1) OUR SECURITY
RELATIONSHIP TO AREA AND (2) NATURE AND EXTENT OF OUR TIES
WITH INDOCHINESE STATES.

2. WE ASSUME FOR PURPOSES POST-VIETNAM U.S. POLICY IN SOUTH-
EAST ASIA FOLLOWING OBJECTIVES: (1) MAINTENANCE OF PEACE;
(2) AVOIDING DOMINATION OF AREA BY ADVERSARY POWER; (3) EQUAL
SECRET

SECRET

PAGE 02 JAKART 01851 01 OF 02 091305Z

DIPLOMATIC AND ECONOMIC ACCESS FOR U.S.; (4) NORMALIZATION
OF U.S. RELATIONS WITH ALL NATIONS IN AREA; AND (5) SUPPORT
FOR BASIC PRINCIPLES OF HUMAN RIGHTS.

3. ACUTE CONCERN IN AREA OVER ATTITUDE OF NEW ADMINISTRATION
TOWARD SOUTHEAST ASIA REFLECTS FACT THAT U.S. IS IMPORTANT
TO INDONESIA AND NATIONS OF THIS REGION. IN INDONESIA,

THAT IMPORTANCE IS DUE TO (1) SECURITY FLOWING FROM OUR PRESENCE (HOWEVER VAGUELY DEFINED) IN AREA; (2) DEPENDENCE ON OUR CONCESSIONAL MILITARY ASSISTANCE; AND (3) U.S. ROLE, BOTH PRIVATE AND OFFICIAL, IN ECONOMIC DEVELOPMENT.

4. IMPORTANCE THIS AREA TO US LIES IN ITS LOCATION AND RESOURCES. FROM INDONESIA, WE GET 10PCT OF OUR OIL, 35PCT OF OUR NATURAL RUBBER AND APPROXIMATELY 10PCT OF OUR TIN. JAPAN GETS 15PCT OF ITS OIL, MORE THAN HALF OF ITS TIMBER, AND IMPORTANT AMOUNTS OF ITS RUBBER AND TIN. INDONESIA LIES ON VITAL SEA ROUTES FOR JAPAN AND ASTRIDE OUR ACCESS TO INDIAN OCEAN.

5. WHILE INDONESIA IS IMPORTANT, WE ARE CONSCIOUS OF PROBLEM CRATED BY IMAGE OF INDONESIA AS MILITARY-BASED AUTHORITARIAN REGIME, TARNISHED BY STORIES OF CORRUPTION, ACCUSATIONS ON HUMAN RIGHTS, AND TIMOR EPISODE. INDONESIANS, FURTHER, WANT OUR HELP AND PRESENCE WITH A MINIMUM OF EMBARRASSMENT TO THEM INTERNALLY OR IN RELATIONS WITH THIRD WORLD NATIONS. U.S. RELATIONSHIP WITH INDONESIA, AS WITH OTHER COUNTRIES IN AREA, RISKS SOME INVOLVEMENT IN INTERNAL AFFAIRS AND POSSIBLE IDENTIFICATION WITH AUTHORITARIAN REGIME. WE RUN THESE RISKS WITHOUT ANY CLEAR GUARANTEE THAT WE WILL BE EFFECTIVE IN LONG RUN IN BUILDING UP OR PRESERVING THESE STATES IN THEIR PRESENT FORM AND ORIENTATION.

6. ON OTHER SIDE, INDONESIA HAS DEMONSTRATED ITS SELF-RELIANCE IN FACE COMMUNIST THREAT (1965), ITS INTERNATIONAL RESPONSIBILITIES IN OIL FLOW AND OIL PRICING, AND ITS
SECRET

SECRET

PAGE 03 JAKART 01851 01 OF 02 091305Z

EMPHASIS ON ECONOMIC DEVELOPMENT OVER MILITARY EXPENDITURES. (MILITARY EXPENDITURES ARE 17PCT OF TOTAL BUDGET, AND MILITARY INVESTMENT ITEMS CONSTITUTES ONLY 3PCT OF DEVELOPMENT BUDGET.) ITS SOMEWHAT VACILLATING REGIME HAS PERMITTED STANDARD OF FREEDOM COMMENSURATE WITH MOST NON-COMMUNIST REGIMES IN ASIA AND HAS BEEN RESPONSIVE TO OUR ENCOURAGEMENT TO IMPROVE HUMAN RIGHTS SITUATION AND OUR REQUESTS FOR SUPPORT OF NPT, KOREA, AND OTHER ISSUES. ITS ECONOMIC POLICIES, WHILE TINGED WITH NATIONALISM, HAVE PROVIDED FAVORABLE OPPORTUNITIES TO U.S. INVESTORS.

7. WE ASSUMRE THAT, IN REVIEW OF POLICY TOWARD THIS AREA, CONTINUATION ECONOMIC ASSISTANCE IS NOT AT ISSUE. WE ASSURME, FURTHER, THAT PRIVATE INVESTMENT WILL ADAPT TO CHANGING CIRCUMSTANCES IN AREA AS LONG AS IT CAN SHOW PROFIT; IT IS NOT ELEMENT OVER WHICH OFFICIAL POLICY WILL HAVE MAJOR CONTROL. KEY ISSUES ARE OUR SECURITY RELATIONSHIP TO AREA AS WHOLE AS REPRESENTED BY CURRENT BASE STRUCTURE AND FLEET PRESENCE AND BY INDIVIDUAL MILITARY SUPPLY RELATIONSHIPS.

8. ONE OBVIOUS ALTERNATIVE TO PRESENT STATURE IS TO REDUCE RISK OF INVOLVEMENT AND IDENTIFICATION BY REMOVING OURSELVES FROM SECURITY ASPECTS. THIS COULD MEAN GIVING UP DIEGO GARCIA AND PHILIPPINE BASES. IN INDIVIDUAL COUNTRIES WE COULD PHASE OUT MILITARY SUPPLY PROGRAMS, INCLUDING GRANT, CREDIT AND SALES. LIKE A KIND OF BIG SWEDEN, WE COULD SEEK TO DEAL WITH REGIMES, BOTH COMMUNIST AND NON-COMMUNIST, AS THEY COME. WE COULD RASIE EFFECTIVENESS THIS POSTURE IN SOME COUNTRIES BY INCREASED ECONOMIC ASSISTANCE AND MORE FORTHCOMING RESPONSES IN NORTH-SOUTH DIALOGUE.

9. AS SEEN FROM INDONESIA, DISADVANTAGES THIS COURSE OF ACTION STEM FROM FACT THAT CURRENT INDONESIAN LEADERSHIP SEES ITS INTERNATIONAL PROBLEM LARGELY IN TERMS LONG-RANGE THREAT FROM CHINA AND INDOCHINA. IMPORTANCE OF U.S. TO THEM IS JUDGED PRIMARILY BY OUR RESPONSE TO THEIR SECURITY
SECRET

SECRET

PAGE 04 JAKART 01851 01 OF 02 091305Z

CONCERNS, BOTH IN AREA AND INTERNALLY. OUR RESPONSE TO DATE HAS GIVEN US ACCESS TO LEADERSHIP AND HAS UNDOUBTEDLY BEEN APPRECIABLE FACTOR IN FAVORABLE DECISIONS ON HUMAN RIGHTS QUESTIONS AND NPT. WHETHER JUSTIFIED OR NOT, THEY SEE US AS ONE POWER WHICH CAN GIVE THEM TIME TO GRAPPLE WITH THEIR ENORMOUS INTERNAL PROBLEMS BEFORE ANTICIPATED ACTIVE EFFORTS BY HANOI OR PEKING OR MOSCOW TO UNDERMINE THEM.

10. GIVEN CURRENT REALITIES, WE BELIEVE OUR BEST COURSE OF ACTION IN RELATIONS WITH INDONESIA AND ASEAN AREA IS TO CONTINUE PROVIDE MINIMUM ASSURANCES BY OUR PRESENCE AND, WHERE THEY NOW EXIST, SECURITY ASSISTANCE PROGRAMS. THUS REASSURED, SOUTHEAST ASIAN STATES ARE MORE LIKELY TO RESPOND POSITIVELY TO OUR WIDER REGIONAL OBJECTIVES OF RESOLVING OUR PROBLEMS WITH HANOI AND PEKING AND PROMOTING BETTER UNDERSTANDING WITH THE SOVIET UNION IN SEA AND INDIAN OCEAN AREAS.

SECRET

NNN

SECRET

PAGE 01 JAKART 01851 02 OF 02 100215Z
ACTION EA-06

INFO OCT-01 ISO-00 ONY-00 /007 W

-----100220Z 118281 /70

R 090911Z FEB 77

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 9195

INFO AMEMBASSY BANGKOK

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY RANGOON

AMEMBASSY SINGAPORE

AMEMBASSY TOKYO

AMEMBASSY VIENTIANE

USLO PEKING

AMCONSUL HONG KONG

S E C R E T SECTION 2 OF 2 JAKARTA 1851

STADIS////////////////////////////////////

LIMDIS - EA ONLY

11. SPECIFICALLY, WE SUGGEST:

A. CONTINUATION OUR REGIONAL SECURITY PRESENCE AS REPRESENTED BY DIEGO GARCIA, SUBIC BAY AND FLEET ELEMENTS.

B. DECLARATION THAT WE RECOGNIZE DESIRE OF NATIONS IN AREA FOR REDUCED OUTSIDE MILITARY PRESENCE; THAT WE ARE READY AT ANY TIME TO DISCUSS WITH SOVIET UNION MUTUAL REDUCTION OF FORCES IN SOUTHEAST ASIAN AND INDIAN OCEAN AREAS. (HOPEFULLY, SUCH DECLARATION WOULD PERMIT NATIONS SUCH AS INDONESIA MORE EASILY PUBLICLY TO DEFEND THEIR CONTINUED INTEREST IN U.S. PRESENCE.)

C. CONTINUATION OF MILITARY ASSISTANCE PROGRAMS IN INDONESIA, RE-DIRECTING THEM AS MUCH AS POSSIBLE AWAY FROM INTERNAL SECURITY EMPHASIS TO ITEMS CLEARLY DESIGNED TO PROTECT ACCESS ROUTES INTO ISLANDS.

SECRET

SECRET

PAGE 02 JAKARTA 01851 02 OF 02 100215Z

D. CLEAR REAFFIRMATION TO GOI THAT OUR ABILITY TO RENDER SECURITY ASSISTANCE WILL DEPEND UPON CONTINUED PROGRESS IN RESOLVING QUESTION OF 1965 DETAINEES AND CONTINUED EMPHASIS ON ECONOMIC AND SOCIAL DEVELOPMENT.

E. AGAINST THE BACKGROUND OF GENERAL REASSURANCES OF OUR PRESENCE TO SOUTHEAST ASIAN COUNTRIES, PROCEED TO SEEK NORMALIZATION WITH INDOCHINESE STATES ON REASONABLE TERMS.

12. FROM OUR PERHAPS OVERLY PAROCHIAL VANTAGE POINT IN JAKARTA, WE HAVE NOT COMMENTED ON BILATERAL RELATIONS WITH OTHER ASEAN COUNTRIES. WE SUBSCRIBE TO A FRIENDLY, BUT NOT INTRUSIVE RELATIONSHIP FOR THE U.S. WITH ASEAN. WE ACCEPT THE JUDGEMENT OF OTHERS CLOSER TO THE SCENE OF THE

PERILS OF AN OVERLY ACCOMMODATING APPROACH TO HANOI. WE
QUALIFY WHAT WE PROPOSE WITH A RECOGNITION THAT A FULL
SOLUTION TO THE PROBLEMS OF INDONESIA MAY BE BEYOND
THE SCOPE OF ANYONE. OBVIOUSLY WHAT WE ARE SUGGESTING
WILL NOT GUARANTEE EITHER OUR CONTINUING ACCESS TO THIS
AREA OR THE PRESERVATION OF SOUTHEAST ASIAN REGIMES IN
THEIR PRESENT FORM AND ORIENTATION. WE SEE NO ALTERNATIVE,
HOWEVER, WHICH WOULD GIVE US A BETTER OPPORTUNITY TO INFLUENCE
THE SITUATION IN AN AREA WHERE WE SEEM TO HAVE LITTLE CHOICE
BETWEEN AUTHORITARIAN REGIMES WHICH GIVE SOME SCOPE FOR
INDIVIDUAL FREEDOM AND THOSE WHICH GIVE NONE.
NEWSOM

SECRET

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN POLICY POSITION, INTELLIGENCE ASSESSMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 09-Feb-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977JAKARTA01851
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770047-0173
Format: TEL
From: JAKARTA
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770259/aaaacahd.tel
Line Count: 236
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 36e218c9-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: SECRET
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: SECRET
Previous Handling Restrictions: ONLY
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3368079
Secure: OPEN
Status: NATIVE
Subject: U.S. POLICY ON SOUTHEAST ASIA IN POST-VIETNAM PERIOD
TAGS: PFOR, PINR, US, XB
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/36e218c9-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009